

SENATE BILL 1622

By Powers

AN ACT to amend Chapter 167 of the Private Acts of 1979; as amended by Chapter 140 of the Private Acts of 2000 and Chapter 57 of the Private Acts of 2018; and any other acts amendatory thereto, relative to the privilege tax on the occupancy of hotels and motels in Montgomery County.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Chapter 167 of the Private Acts of 1979, as amended by Chapter 140 of the Private Acts of 2000, Chapter 57 of the Private Acts of 2018, and any other acts amendatory thereto, is amended by deleting Sections 10 and 11 and substituting the following:

**SECTION 10.** Tourist Commission. For the purpose of promoting tourist and recreational activity, authorization is granted to Montgomery County to establish a Tourist Commission for the City of Clarksville and Montgomery County. The commission shall be composed of five (5) persons selected by and with the joint approval of the mayor of the City of Clarksville and the County Mayor of Montgomery County. One (1) member of the commission shall be a person affiliated with the hotel-motel business and the remaining members shall be selected from a list of nine (9) persons submitted by the area Chamber of Commerce. Upon this act becoming effective, the initial term of office for such commissioners shall be staggered so that one (1) such appointee shall serve an initial term of one (1) year, two (2) such appointees shall serve an initial term of two (2) years, and two (2) such appointees shall serve an initial term of three (3) years, and, thereafter, all commissioners shall be appointed for terms of three (3) years and vacancies shall be filled in the same manner that original appointments are made with the area Chamber of Commerce submitting two (2) names for each vacancy, but vacancies shall be filled for the duration of the unexpired term only. There shall be no prohibition upon a commissioner succeeding himself or herself subject, however, to

being reappointed in accordance with the previous provisions of this section. In the fiscal year beginning July 1, 2000, four (4) additional members shall be added to the Tourist Commission. The four (4) additional members shall be appointed as follows: as with the original members of the Tourist Commission, all these additional members shall be selected by and with joint approval of the County Mayor of Montgomery County and the Mayor of the City of Clarksville. In order to maintain staggered terms of office, one (1) of these additional members shall initially be appointed to a term of office of one (1) year, two (2) members shall initially be appointed to a term of office of two (2) years, and one (1) member shall initially be appointed to a term of office of three (3) years. After those initial terms, these appointments shall be filled in the same manner as those of the incumbent members of the Tourist Commission. Nothing in the act shall be deemed as abridging the terms of office of the incumbent members of the Tourist Commission. Apart from the differences in the length of their initial term of office, the additional members appointed to the Tourist Commission shall have all the same rights and privileges as the incumbent members of the Tourist Commission. As it relates to budgetary and fiscal matters and expenditures, the Tourist Commission shall act only in an advisory capacity to the CLARKSVILLE-MONTGOMERY COUNTY AREA ECONOMIC DEVELOPMENT COUNCIL, INC., to establish an annual budget for approval by the CLARKSVILLE-MONTGOMERY COUNTY AREA ECONOMIC DEVELOPMENT COUNCIL, INC; and in doing so shall be subject to the same provisions of law as any other Department, Board and/or Commission established by Montgomery County. Said CLARKSVILLE-MONTGOMERY COUNTY AREA ECONOMIC DEVELOPMENT COUNCIL, INC., shall be responsible for preparing and submitting this Final proposed programmed budget as they may amend and approve, for all funds to be expended pursuant to the provisions of Section 11 of this act for approval by the Montgomery County Board of County Commissioners. The CLARKSVILLE-MONTGOMERY COUNTY AREA ECONOMIC DEVELOPMENT COUNCIL, INC., shall

then be responsible for the expenditure of all funds derived from the tax authorized by this act as approved and allocated in the budget for direct promotion of tourism as set out in Section 11.

**SECTION 11.** Application and Allocation of Revenue. The proceeds of the tax authorized by this act shall be appropriated and distributed by the Montgomery County Board of County Commissioners as follows: (1) Fifty percent (50%) of the proceeds shall be placed in the general capital projects fund of Montgomery County and shall be accounted for by Montgomery County for the sole, specific, and exclusive use to promote tourism in Montgomery County, Tennessee, for and by its exclusive use of these funds to pay the cost to build or design, or acquire land for a multi-purpose event center, multi-purpose event center construction debt, infrastructure, or additions. These funds derived from the portion of revenues allocated to Montgomery County shall be placed in the Capital Projects Fund of Montgomery County, Tennessee, and any unused funds shall be placed in a reserve account within the Capital Projects Fund until such time as appropriated to satisfy the aforementioned purposes and expenses. (2) Of the remaining fifty percent (50%) of the proceeds, twenty-five percent (25%) of this amount shall be payable to the City of Clarksville, Tennessee, then an amount, up to Seventy-five percent (75%) of these proceeds remaining may be allocated to fund the CLARKSVILLE-MONTGOMERY COUNTY AREA ECONOMIC DEVELOPMENT COUNCIL, INC.'s annual budget as may be approved by the Montgomery County Board of County Commissioners described in Section 10. Whatever amount of these proceeds is not allocated for funding the CLARKSVILLE-MONTGOMERY COUNTY AREA ECONOMIC DEVELOPMENT COUNCIL, INC., will be divided equally between the City of Clarksville, Tennessee, and Montgomery County, Tennessee, and paid to the General Fund of each for each fiscal year on or before September 15 following the close of the fiscal year. In any event, these remaining funds will be used only, specifically, and exclusively for the promotion of tourism in Montgomery County, Tennessee, and in the

City of Clarksville, Tennessee. The proceeds of all and any of the tax authorized by this act shall not be used to provide a subsidy in any form to any hotel.

SECTION 2. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of Montgomery County. Its approval or nonapproval shall be proclaimed by the presiding officer of the legislative body and certified to the secretary of state.

SECTION 3. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective as provided in Section 2.